



## Auction results in June 2019

	Type	Bond	Amount of bids m.kr.	Amount allocated m.kr.	Yield/Price/ Simple interest
7 June	Auction	RIKB 28 1115	1,800	1,250	3.94
27 June	Auction	RIKV 20 0205	5,828	4,728	3.90

## Treasury bond issuance in Q2/2019

### Bond series

Amounts in b.kr.	Maximum	Actual
RIKS 21 0414	4	3.9
RIKS 26 0216	8	1.8
RIKB 28 1115	10	6.7

## Treasury bond issuance as of 30 June 2019

Amounts in b.kr.	Sales value
RIKB 25 0612	4.4
RIKB 28 1115	6.7
RIKS 21 0414	2.1
RIKS 26 0216	8.1
Total issued this year	21.3

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The information in this publication is from the Central Bank of Iceland and from data vendors that are considered reliable.

The information is as of the last month-end unless otherwise specified.

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## Benchmark issues, attributes

### Domestic marketable debt

<i>Issues</i>	<i>ISIN</i>	<i>Date of issue (d.m.y)</i>	<i>Maturity date</i>	<i>Interest, %</i>	<i>Type of bond</i>	<i>Duration*</i>	<i>Years to maturity</i>
<i>T - bills</i>							
RIKV 19 1115	IS0000031102	1.4.2019	15.11.2019	0.00	Bullet	0.39	0.38
<i>Nominal T-bonds</i>							
RIKB 20 0205	IS0000024453	5.2.2014	5.2.2020	6.25	Bullet	0.61	0.61
RIKB 22 1026	IS0000020717	26.10.2011	26.10.2022	7.25	Bullet	2.97	3.33
RIKB 25 0612	IS0000019321	12.6.2009	12.6.2025	8.00	Bullet	5.05	5.96
RIKB 28 1115	IS0000028249	15.11.2016	15.11.2028	5.00	Bullet	7.58	9.38
RIKB 31 0124	IS0000020386	24.1.2011	24.1.2031	6.50	Bullet	8.64	11.58
<i>Inflation-linked T-bonds</i>							
RIKS 21 0414	IS0000020014	14.4.2010	14.4.2021	3.80	Bullet	1.76	1.80
RIKS 26 0216	IS0000030732	16.2.2018	16.2.2026	1.50	Bullet	6.34	6.64
RIKS 30 0701	IS0000020576	1.7.2011	1.7.2030	3.25	Bullet	9.38	11.01
RIKS 33 0321	IS0000021251	21.3.2012	21.3.2033	3.00	Bullet	11.65	13.73
Average of benchmark series						5.9	7.2

\* Macaulay.

### Foreign marketable debt

<i>Issues</i>	<i>ISIN</i>	<i>Date of issue</i>	<i>Maturity date</i>	<i>Interest, %</i>	<i>Type of bond</i>	<i>Duration*</i>	<i>Years to maturity</i>
	US451029AE22						
USD 5,875% 11 May 2022	USX34650AA31	11.5.2012	11.5.2022	5.875	Bullet	2.71	2.87
EUR 2,5% 15 Jul 2020	XS1086879167	15.7.2014	15.7.2020	2.500	Bullet	1.02	1.05
EUR 0,5% 20 Dec 2022	XS1738511978	13.12.2017	20.12.2022	0.500	Bullet	3.45	3.48
EUR 0,1% 20 Jun 2024	XS2015295814	20.6.2019	20.6.2024	0.100	Bullet	4.97	4.98
Average of benchmark series						3.4	3.5

\* Macaulay.



### Government debt

Domestic central government debt 30 June 2019 in m.kr.

Issues	Nominal amount, beg. of month	Inflation compensation	Issue/ buybacks nominal	Inc. inflation compensation, end of month	Years to maturity	Market value	% of domestic debt
<i>T-bills</i>							
RIKV 19 0618	3,811		-3,811	0	0.03	0	0.0
RIKV 19 1115	7,658		3,101	10,759	0.38	10,599	1.6
<b>Total</b>	<b>11,469</b>			<b>10,759</b>	<b>0.38</b>	<b>10,599</b>	<b>1.6</b>
<i>Nominal T-bonds</i>							
RIKB 20 0205	76,135			76,135	0.61	77,156	11.2
RIKB 22 1026	81,059			81,059	3.33	89,700	11.9
RIKB 25 0612	91,648			91,648	5.96	111,765	13.5
RIKB 28 1115	59,752		1,250	61,002	9.38	66,156	9.0
RIKB 31 0124	94,026			94,026	11.58	116,329	13.8
<b>Total</b>	<b>402,620</b>			<b>403,870</b>	<b>6.25</b>	<b>461,105</b>	<b>59.3</b>
<i>Inflation-linked T-bonds</i>							
RIKS 21 0414	62,171	18,251		80,422	1.80	84,443	11.8
RIKS 26 0216	17,533	823		18,356	6.64	19,172	2.7
RIKS 30 0701	73,727	17,644		91,371	11.01	114,397	13.4
RIKS 33 0321	34,172	6,872		41,044	13.73	51,878	6.0
<b>Total</b>	<b>187,603</b>	<b>43,590</b>		<b>231,193</b>	<b>7.94</b>	<b>269,891</b>	<b>34.0</b>
Other central government debt*				35,137	6.43		5.2
<b>Total domestic debt</b>				<b>680,959</b>	<b>6.74</b>		<b>100.0</b>

\* Mostly government indexed debt due to the National Power Company, (Landsvirkjun) and assumed gov. Guarantees.

### Foreign central government debt

Issues	Issued nominal amount (millions)	Remaining nominal amount	Nominal amount ISK (m.kr.)	Years to maturity
<i>Foreign bonds</i>				
USD 5,875% 11 May 2022	1,000	92	11,455	2.87
EUR 2,5% 15 Jul 2020	750	292	41,367	1.05
EUR 0,5% 20 Dec 2022	500	500	70,850	3.48
EUR 0,1% 20 Jun 2024	500	500	70,850	4.98
<b>Total</b>			<b>194,522</b>	<b>3.47</b>
<b>Total foreign debt</b>			<b>194,522</b>	<b>3.47</b>



### Central government debt, total in m.kr.

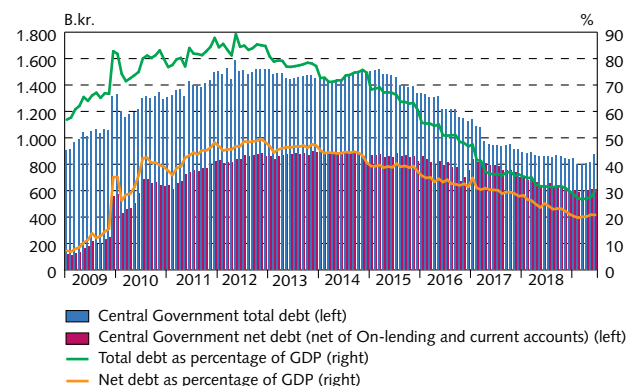
	Nominal inc./ inflation compensation	Weighted time to maturity
Nominal debt	414,629	6.09
Inflation-linked debt	266,330	7.74
Foreign currency debt	194,522	3.47
<b>Total</b>	<b>875,481</b>	<b>6.01</b>
<b>Total debt as percentage of GDP*</b>		<b>29.8</b>

\* GDP is from the latest edition of *Monetary Bulletin* published by Central bank of Iceland.

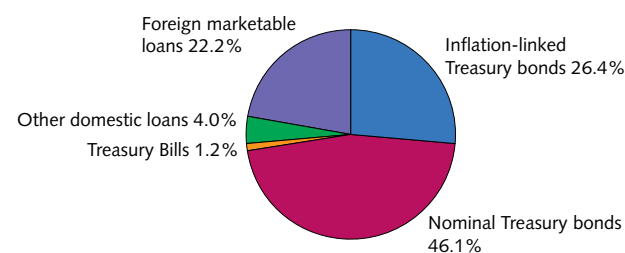
### Net debt in m.kr.

On-lending and cash at the Central bank	Nominal incl./ inflation compensation end of month
Nominal on - lending	17,812
Inflation-linked on - lending	37,387
FX linked on - lending	6,272
Cash ISK	48,464
Cash FX	154,261
<b>Total</b>	<b>264,195</b>
<b>Net debt</b>	
Nominal debt	348,353
Inflation-linked debt	228,943
Foreign currency debt	33,990
<b>Net central government debt</b>	<b>611,286</b>
<b>Total net debt as percentage of GDP</b>	<b>20.8</b>

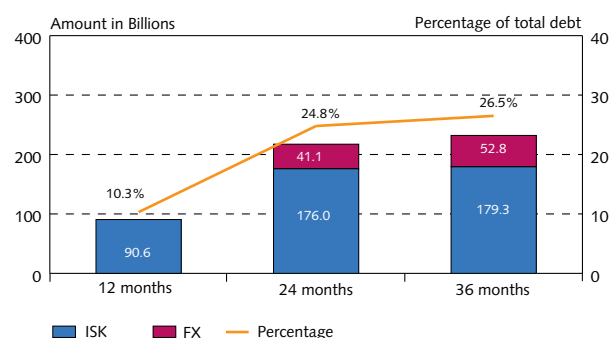
### Changes in central government debt



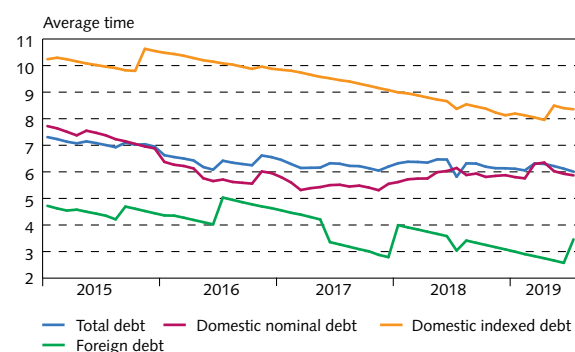
### Total market value of benchmark issues



### Percentage of debt maturing next;



### Average Time to Maturity



## Swaps

30 June 2019

### Inflation swaps in ISK (m.kr.)

Year	New		Expired		Outstanding at year-end	
	Number of contracts	Nominal amount	Number of contracts	Nominal amount	Number of contracts	Nominal amount
2018	22	28,000	0	0	22	28,000
2019	0	0	0	0	22	28,000
2020	0	0	0	0	22	28,000
2021	0	0	20	26,000	2	2,000
2022	0	0	0	0	2	2,000
2023	0	0	0	0	2	2,000
2024	0	0	0	0	2	2,000
2025	0	0	2	2,000	0	0
2026	0	0	0	0	0	0

### Interest rate swap in foreign currency

Maturity	Treasury pays	Treasury receives, %	Nominal amount (m. EUR)	Nominal amount (m. ISK)
15.7.2020	6M Euribor	0.791 p.a.	250	35,425

### Interest rate type (m.kr.)

	Without swaps		With swaps	
	Nominal amount with accrued indexation (ISK)	Proportion, %	Nominal value with accrued indexation (ISK)	Proportion, %
Icelandic fixed interest rates	403,870	46	403,870	46
Icelandic indexed interest rates	266,331	30	237,641	27
Icelandic floating interest rates	10,759	1	38,759	4
Foreign fixed interest rates	194,522	22	159,097	18
Foreign floating interest rates	0	0	35,425	4
Total	875,482	100	874,792	100

### Effect of swaps on Treasury debt (m.kr.)

	Nominal amount with accrued indexation (ISK)	Market value (ISK)	Proportion, %	Duration
<i>Government debt</i>				
Nominal debt	414,629	483,187	47	5.05
Inflation-linked debt	266,331	312,968	30	7.10
Foreign currency debt	194,522	204,327	22	3.41
Total	875,482	1,000,481	100	5.36
<i>Government debt with swaps</i>				
Nominal debt	442,629	511,349	51	4.78
Inflation-linked debt	237,641	283,512	27	7.58
Foreign currency debt	194,522	203,648	22	3.25
Total	874,792	998,509	100	5.26



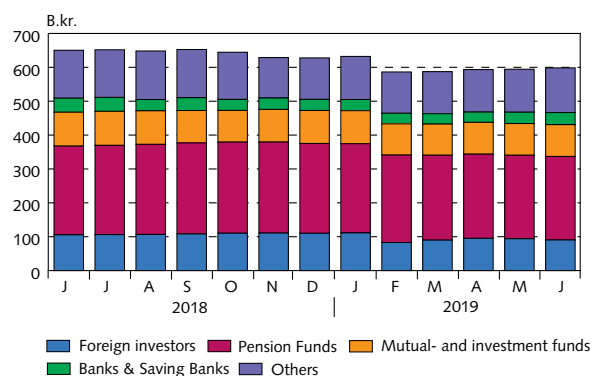
### Investors

#### Owners of T-bonds and bills 30 June 2019\*

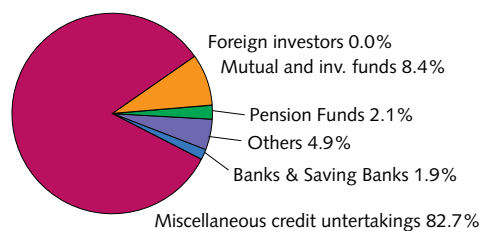
Nominal value in m.kr.	RIKB 20	RIKB 22	RIKB 25	RIKB 28	RIKB 31	RIKS 21	RIKS 26	RIKS 30	RIKS 33	Total	Bills total
<b>Domestic investors</b>											
Banks & Saving Banks	5,678	10,098	4,715	6,532	4,462	2,074	1,150	784	131	35,625	200
Miscellaneous credit undertakings	11,602	3,904	0	0	0	16,692	3,970	12,150	12,590	60,908	8,900
Mutual and inv. funds	18,798	13,895	8,259	5,775	4,482	17,531	7,810	12,300	4,993	93,844	902
Pension Funds	16,481	26,296	46,753	31,379	49,956	15,511	2,844	46,385	10,975	246,580	227
Firms	6,687	5,015	8,455	5,031	6,420	3,151	2,951	1,039	1,178	39,927	208
Households	1,087	1,852	978	530	114	3,598	581	796	1,486	11,022	269
Others	4,065	4,246	2,778	1,672	2,117	2,251	583	1,574	825	20,111	54
Foreign investors	11,682	16,343	19,978	11,154	27,035	2,194	0	2	1,975	90,362	0
<b>Total</b>	<b>76,080</b>	<b>81,649</b>	<b>91,917</b>	<b>62,073</b>	<b>94,586</b>	<b>63,003</b>	<b>19,888</b>	<b>75,030</b>	<b>34,152</b>	<b>598,378</b>	<b>10,759</b>

\* Included securities lending from the issuer to the primary dealers.

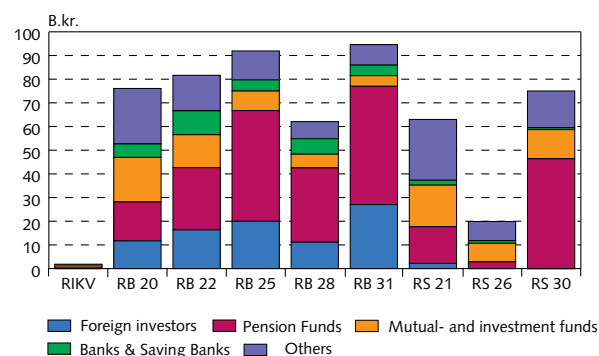
#### Owners of T-bonds 30 June 2019\*



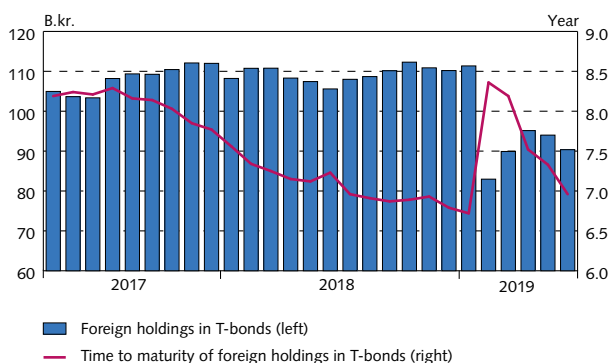
#### Owners of T-bills 30 June 2019\*



#### Owners of marketable T-bonds and bills 30 June 2019\*



#### Time to maturity of non-residents' holdings in T-bond and -bills 30 June 2019\*



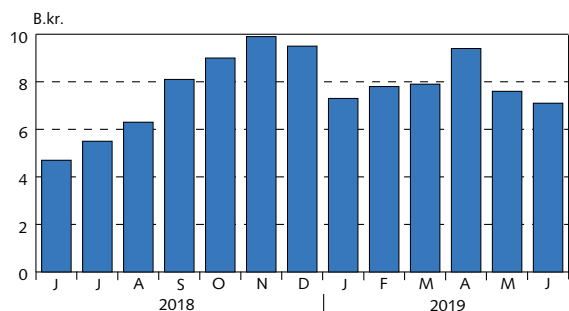
\* Information on this page is based on the most recent data from the Icelandic Securities Depository and banks.



# Market Information

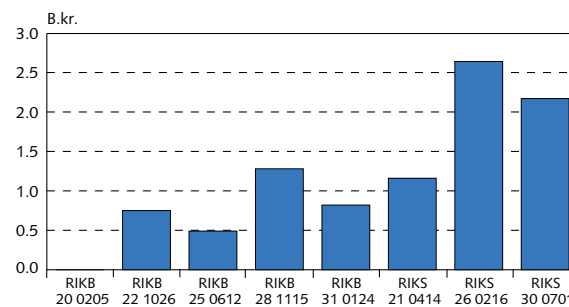
## Securities lending facility, redemption profile and turnover

Average amount in the security lending facility\* of GDM at market value

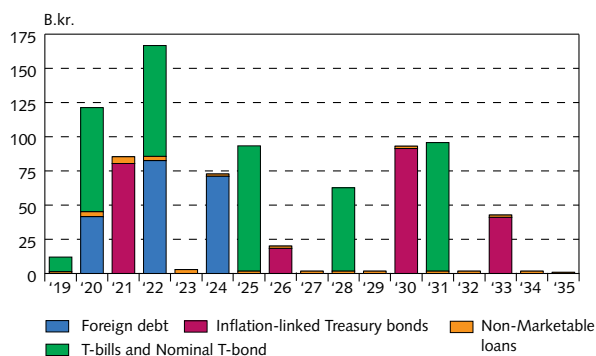


\* Calculated at market price.

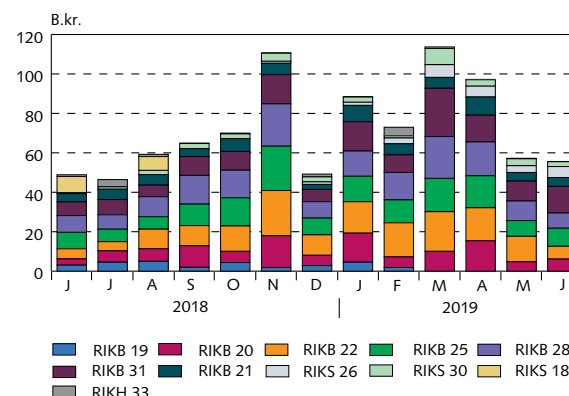
Outstanding amount in the securities lending facility\* by series at the end of last month



Redemption profile of government debt



Monthly trading volume in T-Bonds on NASDAQ Iceland Exchange

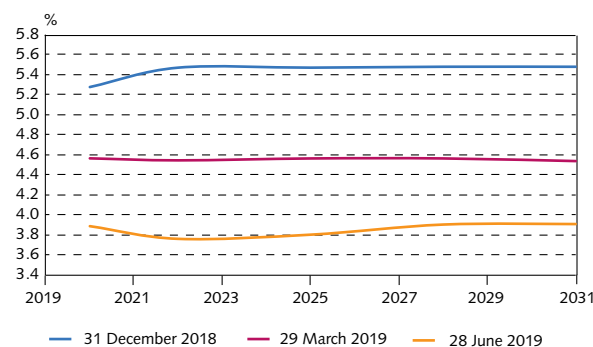


## Auction of Treasury bills



## Yield curves

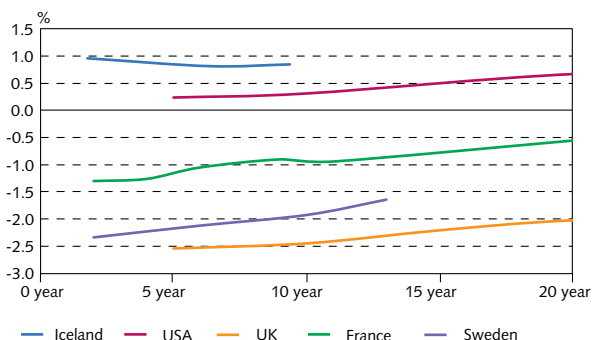
Nominal yield curves



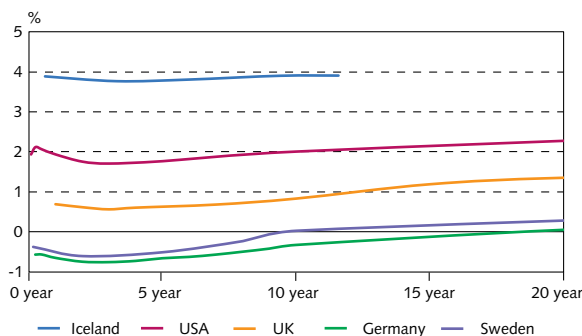


# Market Information

### Yield curve inflation-linked T-bonds

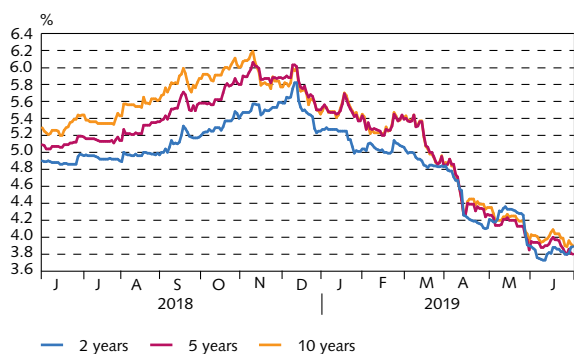


### Yield curve Treasury bills and nominal T-bonds

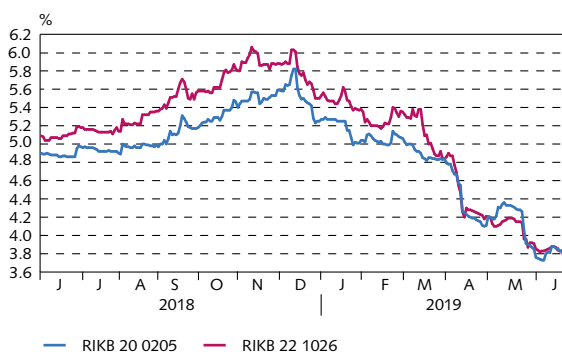


## Yield for Treasury bonds

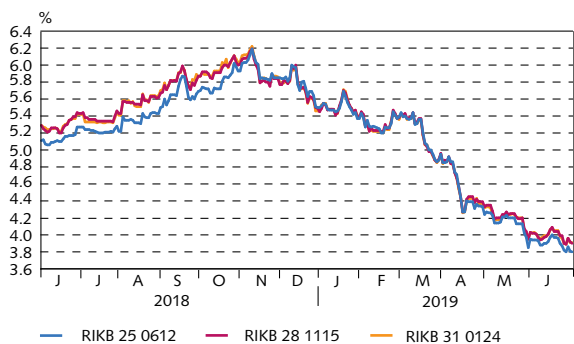
### Generic Yield



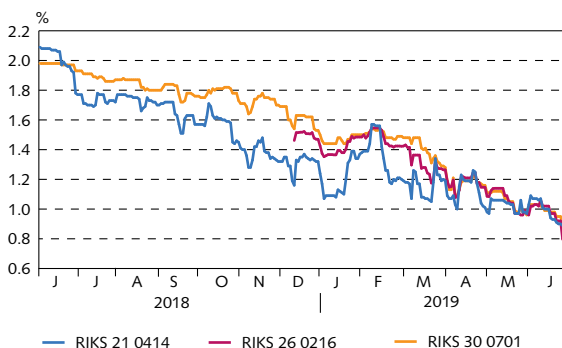
### Yield for short and medium term nominal T-bonds



### Yield for long term nominal T-bonds



### Yield for inflation linked T-bonds







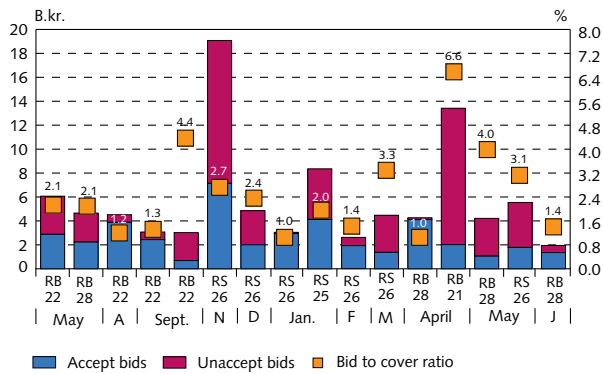
## Auctions of Treasury bonds and bills

Auction in 2019, in m.kr.

Date		Offers		No. of bids	No. of acc. bids	Yield %	Acc. bids		Non comp. auction nominal v.	Total value
		Market value	Nominal value				Market value	Nominal value		
<b>Nominal T-Bonds</b>										
25.01.19	RIKB 25 0612	8,355	7,305	42	16	5.27	4,123	3,605	280	4,443
05.04.19	RIKB 28 1115	4,268	4,088	25	23	4.42	4,111	3,938	145	4,263
10.05.19	RIKB 28 1115	4,212	3,985	29	13	4.26	1,057	1,000	0	1,057
07.06.19	RIKB 28 1115	1,948	1,800	11	5	3.94	1,353	1,250	0	1,353
<b>Total</b>		<b>18,783</b>	<b>17,178</b>				<b>10,644</b>	<b>9,793</b>	<b>425</b>	<b>11,116</b>
<b>Indexed T-Bonds</b>										
										Indexed value
11.01.19	RIKS 26 0216	3,046	3,029	17	16	1.42	2,941	2,829	0	2,941
21.02.19	RIKS 26 0216	2,615	2,600	22	14	1.41	1,924	1,850	0	1,924
22.03.19	RIKS 26 0216	4,473	4,390	34	8	1.21	1,371	1,300	120	1,498
12.04.19	RIKS 21 0414	13,415	12,770	26	2	1.22	2,022	1,500	38	2,072
24.05.19	RIKS 26 0216	5,542	5,350	27	9	0.95	1,785	1,650	0	1,785
<b>Total</b>		<b>29,091</b>	<b>28,139</b>				<b>10,044</b>	<b>9,129</b>	<b>158</b>	<b>10,221</b>
										<b>Total value 21,337</b>
<b>T-Bills</b>										
30.01.19	RIKV 19 0515	0	406	6	0	0.00	0	0		
22.02.19	RIKV 19 0618	4,153	4,211	14	11	4.50	3,758	3,811		
28.03.19	RIKV 19 1115	5,176	5,325	18	14	4.56	3,718	3,825		
29.04.19	RIKV 19 1115	6,088	6,233	14	9	4.35	3,744	3,833		
29.05.19	RIKV 19 1115	5,595	5,701	16	12	4.15	3,043	3,101		
27.06.19	RIKV 20 0205	5,693	5,828	12	10	3.90	4,618	4,728		
<b>Total</b>		<b>26,704</b>	<b>27,704</b>				<b>18,881</b>	<b>19,298</b>		

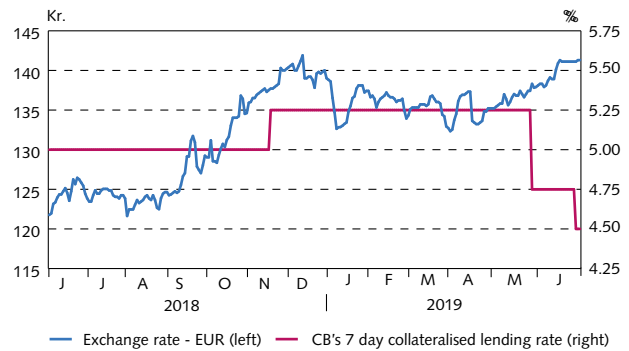
## Auctions of Treasury bonds

Latest auction results of Treasury bonds at market value



## Exchange rate development

Euro exchange rate versus 7 days collateralised lending rate



## Primary dealers

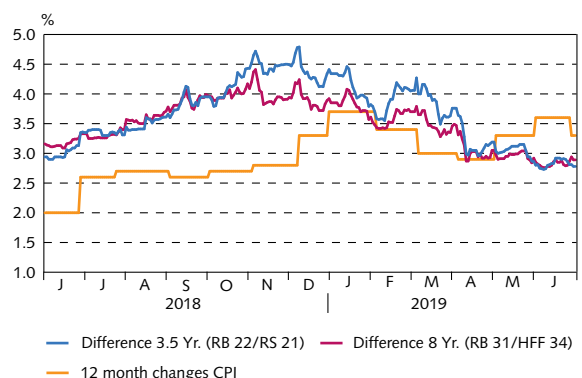
Primary dealers in government securities

Bank	Telephone
Íslandsbanki	+354 440 4000
Arion banki	+354 444 6000
Kvika banki hf.	+354 540 3200
Landsbankinn	+354 410 4000

Bloomberg

ISLA
ARIO
KVIK
LAIS

## Inflation premium nominal T-bonds



## Auctions of the month

22 July 2019	CPI announcement
30 July 2019	Auction of Treasury bills

## Iceland Sovereign Credit Rating

	Confirm	Foreign currency		Domestic currency		Outlook
		Long-Term	Short-Term	Long-Term	Short-Term	
Moody's	July 2018	A3		A3		Positive
S&P	May 2019	A	A-1	A	A-1	Stable
Fitch	May 2019	A	F-1+	A	F-1+	Stable



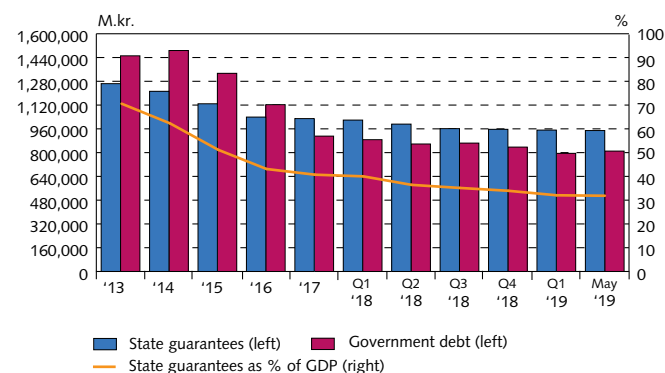
# Market Information

## State guarantees

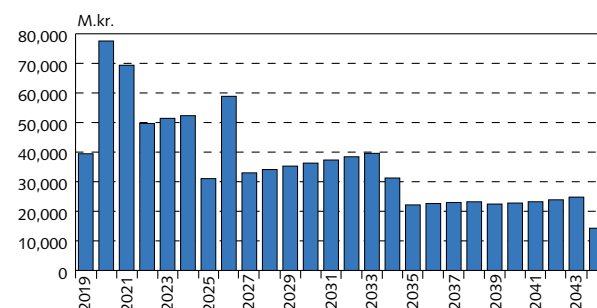
### State guarantees 2015–2019

M.kr.	May	Q1	Outstanding end of year			
	2019	2019	2018	2017	2016	2015
Lending agencies	850,067	848,316	849,610	865,609	830,231	855,054
Housing Financing Fund	776,370	774,913	777,716	794,068	821,180	844,130
Regional Development Fund	13,754	13,981	11,569	9,970	9,051	10,923
Icelandic Student Loan Fund	59,943	59,422	60,325	61,572	0	0
Co-operative and Limited Partnerships	95,815	100,694	104,596	163,766	207,073	271,548
National Power Company sf.	90,225	89,393	93,430	152,567	195,048	257,155
RARIK ohf. (Iceland State Electricity)	986	1,088	1,069	1,242	1,483	1,786
Farice ehf.	0	5,656	5,508	5,547	5,652	7,214
Isavia ohf.	1,078	1,065	1,123	1,213	1,401	1,749
RUV ohf. (National Broadcasting Service)	3,034	3,055	3,012	2,573	2,886	3,011
Other	492	437	454	624	603	633
Industries/Municipalities	2,702	2,690	2,603	2,450	1,872	2,229
NIB - Nordic Investment Bank	2,702	2,690	2,603	2,450	1,862	2,209
Other	0	0	0	0	10	20
<b>State Guarantees total</b>	<b>948,584</b>	<b>951,700</b>	<b>956,809</b>	<b>1,031,825</b>	<b>1,039,177</b>	<b>1,128,831</b>

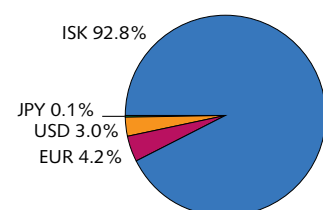
### State guarantees - government debt and GDP 2013-2019



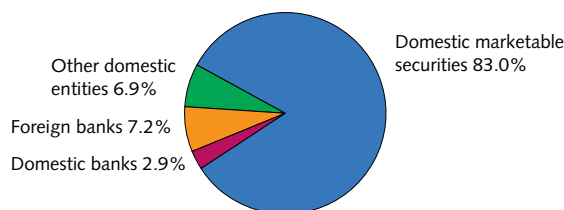
### State guarantees - Maturity profile



### Currency ratio



### Type of lenders



### Interest rate type

